CONFEDERATION OF
EUROPEAN PAPER INDUSTRIES

industriAll
EUROPEAN TRADE UNION

European Sector Social Dialogue Pulp and Paper

A Social Partner Resolution addressing the ongoing digitalisation in the European Pulp and Paper Sector and its potential impact on industry and employment

The social partners in the European pulp and paper sector, industriAll European Trade Union and CEPI highlight the importance of innovation and modernisation of the European industry as a necessary precondition to increase its competitiveness, growth and quality employment in Europe. Industry 4.0, advanced automation and the digitalisation of our sector have already transformed and will further change pulp and paper manufacturing and the way of working in our sector. At the same time, the sector itself is transforming in order to both retain a position in Europe and be able to grow. This is bringing changes to production processes, as well as the products' portfolio, notably to innovative bio-based products.

Over the past 30 years, the pulp and paper industry has developed on a par with the automation of its production processes, which has had important effects on the productivity, organisation, employment and overall sustainability of industry. From supply chains to production down to customer services, digitalisation is now transforming the way industry operates and functions.

In recent years, the European Commission has released a number of communications focusing on the digitalisation of the European economy and industry. The social partners of the European pulp and paper sector welcome these initiatives and reaffirm the importance of the ongoing digitalisation for our sector's future growth and competitiveness. They also strongly believe that equal attention must be devoted to the social implications of digitalisation.

While "Industry 4.0" is expected to support the re-industrialisation of Europe with benefits in terms of sustainability, resource efficiency, innovation, transparency and traceability of manufacturing and its products, it may also pose a number of challenges to the employment dimension. An increasing digitalisation of manufacturing processes will inevitably lead to redundancies in traditional pulp and paper manufacturing, but has the potential to generate new job opportunities. It will also challenge the education systems and the availability of a skilled workforce with new digital competences. It will further transform internal organisations and will necessitate careful reflection on working conditions, working time and the well-being of employees in our sector.

With the present resolution, the European Social Partners, industriAll Europe and CEPI, intend to provide a framework for the future work and discussion of the European Social Dialogue Committee Pulp and Paper about the impact that the digitalisation will have on the on the European pulp and paper sector and its workforce.

Without prejudice to national sectoral social dialogue, practices and collective bargaining systems, our objective is to define in close consultation with our respective national member organisations future activities of the European Social Partners to anticipate the change our industry is undergoing at European level and ensure that our sector will continue to offer an attractive work environment in Europe.

We consider it our responsibility to proactively discuss, learn about and anticipate the social transformation implied by this process and accompany it with a strong social dialogue at European level. We have determined the following priority areas as being of relevance for the discussions of the European Sectoral Social Dialogue Pulp and Paper:

- The quantitative impacts of digitalisation and addressing new job opportunities
- The qualitative aspects of digitalisation (routine/non-routine tasks, higher qualification levels, opportunities and challenges of flexibility)
- The evolution and updating of European skills base and education systems (linking with our joint project conclusions)
- The collection and automated processing of worker-related data under the scope of the European Regulation on Data Protection (GDPR)
- The strategic opportunities digitalisation presents for the European industry to advance its transformation agenda (2050 Roadmap) while upholding its industrial know-how against big data analytics

The European social partners for the pulp and paper sector therefore recommend further focused discussions at European level on the following questions:

1. Strategic implications for industry transformation and know-how

As outlined in the CEPI 2050 Roadmap[1], the European pulp and paper industry has engaged in a strategic transformation to advance the added-value it delivers while deeply decarbonising its production. Industry digitalisation will be part of the solution. In particular, big data analytics, applied to industrial data generated by machines, can learn about the machine's behaviour, and thus be used to (1) pilot more efficiently the machine and (2) perform predictive maintenance. The company having control over the industrial data of the pulp and paper industry will gain a deep insight of the sector's know-how, and significant market power. While presenting opportunities, this may present a risk for the value added and the quality of jobs in the sector.

Digitalisation will therefore have broad implications across the value chains, on data as well as knowledge management, on the competitiveness of the industry at large and its value added or the very nature of jobs and future skillsets. Those implications for the pulp and paper industry need to be factored in our European Social Dialogue to accompany the transformation of industry.

2. European skills base, digital skills and polyvalence

An adequate European skills base is a precondition to master the ongoing transformation and be a frontrunner in innovation and innovative processes.

Over time, digitalisation will challenge some of the traditional papermaking jobs and will require a re-skilling of the workers whose experience will be key in the transformation and integration of young workers in our sector. New jobs will also be created that will require completely different skills and competences than the current ones. To proactively manage this transformation, urgent measures are

[1] Investing in Europe for Industry Transformation - 2050 Roadmap to a low-carbon bioeconomy, CEPI, February 2017, http://www.cepi.org/publication/investing-europe-industry-transformation-2050-roadmap-low-carbon-bioeconomy

needed to upgrade education and training programmes to the pace of digitalisation and develop lifelong learning opportunities.

The 2016 European assessment of the educational trajectories and future skills in our industry[2] concluded that alongside the core technical competences, there is a clear need for a broader skillset to master entire processes in order to adapt to a changing and more complex work environment. As European social partners for the pulp and paper sector, we are determined to pursue cooperation in order to support the education, training and qualification of workforce in our sector. We advocate that Industry 4.0 needs to be accompanied by Education 4.0, i.e. an education system which is context-sensitive, flexible and responsive to the needs of society and industry.

3. Remote working and crowd working

The possibility to work remotely, at any time, using mobile devices may be beneficial for workers, offering more opportunities for flexibility and work-life balance, but poses challenges for well-being if there is no right to disconnect.
The social partners will also have to monitor the relevance of crowd working schemes in the pulp and paper sector, i.e. the outsourcing of specific tasks to individuals to provide specific services (e.g. maintenance) or products.

Whereas working conditions and working time are subject to company specific and/or national sectoral social dialogues, as European social partners for the pulp and paper sector, we should learn from each other and share best practices that support working conditions that make our sector an attractive, safe and efficient workplace.

4. Data protection - Collection and processing of worker-related data

Employers have the responsibility to ensure that their employees actually perform the work that they are paid for, and that they respect health and safety regulations. Some form of monitoring of workers by the employer is thus legitimate. However, the technical means made available by digital technologies (sensors on machines, massive data storage capacity in the network) have the potential to enable permanence and frequency of surveillance.

Data protection matters are central to the "new digital age" and are fuelling debates across society at large. With regards to workers' data protection, the EU General Data Protection Regulation (GDPR) is setting a new regulatory framework for all member states. As of May 2018, the GDPR will impose new requirements, obligations on information and protection for worker-related data that should also be looked at with regards to the appropriate monitoring of workers and automated processing of worker-related data, adapted to each workplace situation.

The digitalisation of industry will have a broad range of implications for the pulp and paper industry and will be central to its transformation. By addressing these questions at the level of our European Social Dialogue, CEPI and IndustriAll Europe intend to analyse the challenges and opportunities that Industry 4.0 offers to our sector and be in a position to leverage them to advance industry competitiveness, the qualification of the workforce, the quality of its work environment and attractive work opportunities for the young generation in our sector.

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[2] "Future skills for the paper industry", IndustriAll and CEPI, November 2016